

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: BAMBI I. HOLZER

FILE NO. 0500342

**NOTICE OF HEARING**

**TO THE RESPONDENT:**

Bambi I Holzer  
(CRD# 1088028)  
10430 Wilshire Boulevard  
PH# 5  
Los Angeles, California 90024

C/o Brookstreet Securities Corporation  
2361 Campus Drive  
#210  
Irvine, California 92612

You are hereby notified that pursuant to Section 11 F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14 Ill Adm Code 130, Subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 1<sup>st</sup> day of March, 2006 at the hour of 10 00 a m or as soon as possible thereafter, before James L Kopecky, Esq or such other duly designated Hearing Officer of the Secretary of State

Said hearing will be held to determine whether an Order shall be entered revoking Bambi I Holzer's (the "Respondent") registration as a salesperson in the State of Illinois and/or granting such other relief as may be authorized under the Act including but not limited to the imposition of a monetary fine in the maximum amount pursuant to Section 11 E(4) of the Act, payable within ten (10) business days of the entry of the Order

The grounds for such proposed action are as follows

- 1 That at all relevant times, the Respondent was registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act

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- 2 That on June 17, 2005, NASD entered a Letter of Acceptance, Waiver and Consent (AWC) submitted by the Respondent regarding File No C02050049 which sanctioned the Respondent as follows
  - a fined \$100,000 with credit given of \$80,000 for payments she previously made in partial restitution,
  - b suspension from association with any NASD member firm, in any and all capacities, for a period of 21 days, and
  - c an undertaking to attend and satisfactorily complete, within 75 days of June 1, 2005, sixteen (16) hours of continuing education concerning variable annuities
3. That the AWC found: In or about the period December 1997 through June 2000, the Respondent made negligent misrepresentations to 27 customers regarding certain product features in connection with the purchase and sale of variable annuities. She represented to customers that the product provided a guaranteed investment return of 7% that the customer could withdraw during his or her lifetime, purportedly regardless of the annuity subaccounts' market performance. Contrary to her representations, the product provided a 7% return regardless of market performance in the variable annuity's sub-accounts, only upon the customer's death. The foregoing acts, practices and conduct constitute separate and distinct violations of Conduct Rule 2110 by the Respondent
- 4 That Section 8 E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be revoked if the Secretary of State finds that such salesperson has been suspended by any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory organization
- 5 That NASD is a self-regulatory organization as specified in Section 8 E(1)(j) of the Act.
- 6 That NASD is a self-regulatory organization as specified in Section 8 E(1)(j) of the Act

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 I.L. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

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Furthermore, you may be represented by legal counsel, may present evidence, may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

Delivery of Notice to the designated representative of any Respondent constitutes service upon such Respondent.

DATED This 13<sup>th</sup> day of January, 2006

  
JESSE WHITE  
Secretary of State  
State Illinois

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Illinois Securities Department  
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